



U.S. Strategic Plan for the UPU from 2009 to 2012

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The document below, the "Strategic Plan for the UPU from 2009 to 2012", contains the overall goals that the U.S. Government would urge the UPU to achieve during the period covered by the decisions of the 2008 Geneva UPU Congress. This plan reflects the views of the U.S. Government stakeholder agencies in UPU issues and overall U.S. policy on international postal arrangements, as specified in the Postal Enhancement and Accountability Act of 2006:

- To promote and encourage communications between peoples by efficient operation of international postal services and other delivery services for cultural, social and economic purposes;
- To promote and encourage unrestricted and undistorted competition in the provision of international postal services and other international delivery services, except where provision of such services by private companies may be prohibited by law of the United States;
- To promote and encourage a clear distinction between governmental and operational responsibilities with respect to the provision of international postal services and other international delivery services by the Government of the United States and by intergovernmental organizations of which the United States is a member; and
- To participate in multilateral and bilateral agreements with other countries to accomplish these objectives.

The goals in this plan, which shall be adjusted periodically and are meant to reflect the needs and interests of U.S. customers and users of international postal and delivery services, are shown in order of priority.

PART I: Principles upon which U.S. priorities for the UPU are based

U.S. priorities for the UPU are based on the following guiding principles:

- Maximum benefit, in terms of quality and price, for users of international postal and delivery services.
- Support and encouragement for maximum undistorted competition among providers of international postal and delivery services, both public and public, where free market mechanisms apply.
- Accessibility to affordable, high-quality universal service for international postal products, as provided by the UPU Convention.
- Greater separation of regulatory and operational governmental responsibilities

PART II: U.S. Priorities for the UPU

First Tier Priorities: Major Strategic and Policy Issues

1. Quality of Service

- a. Support the deployment and further development of the UPU Global Monitoring System.
- b. Continue efforts to extend and expand pay-for-performance systems for letter post and parcels.
- c. Support publication of report cards by the UPU on the performance of administrations (and delivery agents, where appropriate) in delivering inbound international letter post items and parcels to the addressee. Consider establishment of "report card review days" at the annual sessions of the Council of Administration and Postal Operations Council.
- d. Develop methodologies for measuring the performance of airlines in handling and transporting dispatches of mail.
- e. Seek all available means and technologies, and develop alternate methodologies if necessary, for the measurement of service performance.

2. Economic Issues

Terminal Dues

- a. Support the fundamental principle of market-oriented, cost-based, country-specific terminal dues under which increases in rates are phased in over time or introduced with ample advance notification to avoid sudden and steep postage rate increases for mailers.
- b. Develop a more accurate linearization methodology that produces rates that most closely reflect costs.
- c. Make tangible progress in achieving inclusion of UPU member countries in the target terminal dues system by December 31, 2017.
- d. Support UPU deployment of the standard cost accounting system.

Quality of Service Fund

- e. Develop standard criteria for evaluating the usefulness and effectiveness of Quality of Service Fund projects to establish a link between the projects and the service performance of beneficiary administrations, such as through participation by beneficiary administrations in the Global Monitoring System.
- f. Make further efforts to simplify the procedures employed for the submission and approval of project proposals.
- g. Support the principles for the election of members of the Quality of Service Fund Board of Trustees that ensure both the accountability for Board members and continuity of knowledge within the Board.

WTO Alignment

- h. Monitor the UPU commitment and actions to move postal administrations to the target terminal dues system.
- i. Monitor WTO developments that impact the UPU terminal dues system.

3. Customs issues

- a. Promote continued cooperation and dialogue between the UPU and World Customs Organization, especially regarding supply chain security and EDI transmissions between posts and customs.
- b. Propose and promote specific actions by the CA and POC aimed at bringing customs clearance procedures for postal items more in line with commercial customs procedures used by private-sector delivery firms.
- c. Propose concrete steps to standardize and implement EDI message exchanges between posts and customs, and assign urgency to this task in light of international security initiatives such as the WCO Framework.

Second Tier Priorities: Regulatory and Administrative Issues

4. Extra-territorial Offices of Exchange (ETOE)s

- a. Support UPU policies that consider dispatches by ETOEs as commercial traffic that are subject to the same rules applied to private operators, that permit postal administrations to refuse to accept items dispatched by ETOEs under UPU documentation and that limit eligibility to use UPU documentation on outbound traffic dispatched by ETOEs.
- b. Preserve the distinction between the practices of ETOEs, which are purely commercial, and the execution of universal service by national postal administrations operating in their home territories.
- c. Work towards UPU adoption of technical standards for International Mail Processing Center (IMPC) codes that would clearly identify the administration responsible for the office in the code, include a representation of the physical location the office, and allow flexibility for current and future requirements.

5. UPU Strategy

- a. Contribute to further refinements to the Report Cards developed by the UPU Strategic Planning Group on the achievement, by individual member countries and postal administrations, of selected key goals in the UPU Strategy.
- b. Press for further development of methods, such as through annual or biennial surveys, for seeking the views of member countries on UPU strategic and budgetary priorities.
- c. Seek to develop principles and methodologies for linking the priorities expressed by member countries for prioritizing and aligning the objectives in the UPU Strategy and the individual programs in the biennial UPU Program and Budget.

6. UPU Budget, User Groups and Cooperatives

- a. Support zero nominal growth for the mandatory UPU budget.
- b. Foster the creation or maintenance of user groups and cooperatives within the UPU structure and the delegation of authority to the Council of Administration and Postal Operations Council to create user groups.
- c. Support financial and organization autonomy for the UPU user groups and cooperatives.

7. Consultative Committee

- a. Undertake to maximize private-sector participation in the Consultative Committee and foster further integration of private-sector organizations into the work of UPU bodies.
- b. Foster and encourage the active involvement of the postal administrations that are members of the Consultative Committee in the work of the Committee.

Third Tier Priorities: Postal and Technical Issues

8. Postal Security

- a. Continue focus on preventing injuries from dangerous goods in the mail; preventing mail theft and loss; preventing revenue loss; and preserving customer confidence in the mail.
- b. Strengthen efforts to combat the use of the mails for terrorism.
- c. Further develop Postal Security Action Group programs such as airport security reviews and regional training for postal security specialists.
- d. Work to improve the collection, completeness and reliability of global electronic data regarding mail losses and irregularities eMaria data.

9. Structure and Work of the UPU's Cooperatives

EMS Cooperative

- a. Ensure that tracking capability shall be a requirement for EMS Cooperative membership by January 2009.
- b. Improve overall on-time delivery of all Cooperative members from 85.8% to 90% by 2012.
- c. Increase the number of administrations that apply the EMS Pay-for-performance Plan from 25 to 125 by 2012.
- d. Increase the number of administrations that transmit PREDES and RESDES messages for EMS dispatches from 89 to 140 by 2012.

Telematics Cooperative

- e. Support efforts to design a single combined network of systems that would unite the current postal networks used for UPU operational and accounting processes.
- f. Set specific goals for the number of administrations that use IPS and IPS Light and monitor progress.
- g. Monitor the quality of POST*Net, by third-party audits if necessary.

*UPU*Clearing*

- h. Set long-term goals for UPU*Clearing that would include pay-for-performance calculations through the clearinghouse for member administrations.
- i. Develop plan to attract private-sector suppliers (e.g. airlines and delivery agents) to join UPU*Clearing.
- j. Develop proposals to ensure that fees, dues or charges paid to the IB can be collected through UPU*Clearing.

10. Standards Board

- a. Seek to develop standards that would contribute to effective measurement of the quality of service of international mail.
- b. Contribute to the comprehensive review of UPU operational and accounting procedures proposed in Bucharest Congress resolution C 33.

11. Parcels

- a. Support efforts to require application of appropriate barcodes on all international parcels and transmission of tracking event data on parcels.
- b. Adapt methodology for measurement of parcel service performance.
- c. Develop and publish report cards on parcel service performance.
- d. Support efforts to develop systems for calculating the costs of handling and delivery of parcels for worldwide applicability.

12. Postal Development and Technical Cooperation

- a. Develop criteria for measuring the effectiveness of postal reform, improving customer satisfaction and improving the quality of and access to postal services in individual countries. In doing so, periodically monitor, analyze, and compare the quality of postal services of individual countries in relation to their level of postal reform.
- b. Develop a plan to integrate (or implement) best practices, derived from technical cooperation, where applicable.

13. Post*Code and Address Management

- Promote Post*Code products and services that increase the quality and exchanges of international mail.

14. Postal Financial Services

- Ensure compliance with internationally accepted anti-money laundering standards and related regulatory requirements in all UPU documents regarding postal financial services.